

Butler County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/25/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 23 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Butler County economy.¹

These 23 sectors have a total direct output of approximately **\$510.7 million** and support **3,044 jobs** in Butler County. Running the model for all 23 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Butler County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	3044.2	10.39%	\$143,995,563	6.42%	\$510,694,143
Indirect Effect	356.0	1.22%	\$27,698,010	1.24%	\$63,551,414
Induced Effect	408.1	1.39%	\$27,526,553	1.23%	\$52,540,331
Total Effect	3808.3	13.00%	\$199,220,125	8.88%	\$626,785,888

As shown in the above table, agriculture, food, and food processing sectors support **3,808 jobs**, or **13.00%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 23 agriculture, food, and food processing sectors is approximately **\$199.2 million**, or **8.88% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **1,088 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Butler County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	1,088.8	\$166,149,433
Support activities for agriculture and forestry	660.3	\$3,812,923
Landscape and horticultural services	386.0	\$21,273,632
Animal, except poultry, slaughtering	238.5	\$168,647,775
Veterinary services	160.0	\$16,758,284
Grain farming	96.9	\$46,055,340
Animal production, except cattle and poultry and eggs	85.8	\$13,349,664
Real estate	84.8	\$9,068,983
Truck transportation	71.9	\$10,265,801
Commercial logging	65.2	\$1,721,256

The animal, except poultry, slaughtering sector directly contributes approximately **\$168.6 million** to the Butler County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Animal, except poultry, slaughtering	238.5	\$168,647,775
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	1,088.8	\$166,149,433
Grain farming	96.9	\$46,055,340
Oilseed farming	17.3	\$23,447,035
Landscape and horticultural services	386.0	\$21,273,632
Veterinary services	160.0	\$16,758,284
Fertilizer mixing	28.1	\$15,641,600
Dairy cattle and milk production	30.6	\$15,312,328
Petroleum refineries	1.9	\$14,212,264
Animal production, except cattle and poultry and eggs	85.8	\$13,349,664

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Butler County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	17.3	\$23,447,034.84
Grain farming	96.9	\$46,055,339.81
Vegetable and melon farming	0.5	\$116,917.98
Fruit farming	3.4	\$368,351.04
Tree nut farming	0.5	\$107,388.35
Greenhouse, nursery, and floriculture production	4.4	\$777,849.32
Cotton farming	1.6	\$457,945.79
All other crop farming	52.1	\$5,263,339.04
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	1088.8	\$166,149,429.32
Dairy cattle and milk production	30.6	\$15,312,327.38
Poultry and egg production	1.1	\$1,082,605.36
Animal production, except cattle and poultry and eggs	85.8	\$13,349,663.73
Commercial logging	65.2	\$1,721,256.38
Commercial hunting and trapping	62.8	\$1,234,048.84
Support activities for agriculture and forestry	660.3	\$3,812,922.95
Animal, except poultry, slaughtering	238.5	\$168,647,781.37
Bread and bakery product, except frozen, manufacturing	31.2	\$3,640,599.73
Frozen cakes and other pastries manufacturing	2.1	\$324,981.93
Breweries	7.2	\$3,266,668.56
Other leather and allied product manufacturing	19.6	\$1,884,177.68
Fertilizer mixing	28.1	\$15,641,599.66
Veterinary services	160.0	\$16,758,283.62
Landscape and horticultural services	386.0	\$21,273,632.05

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Butler County, the retail sector was omitted.